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Lowell Peterson (LP 5405)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

DELPHI CORPORATION, et al.

Case Nos. 05-44481 (RDD)
Jointly Administered

Debtors.

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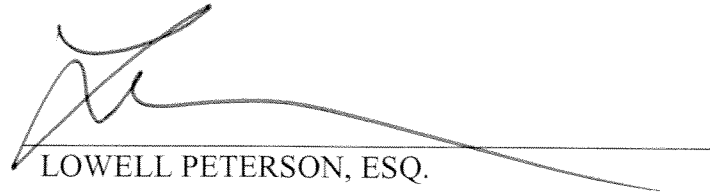
DECLARATION OF LOWELL PETERSON, ESQ.

Lowell Peterson, Esq., declares:

1. I am a partner in the law firm Meyer Suozzi English & Klein, P.C., counsel to the Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers, International Union (USW), AFL-CIO (the "USW").
2. I make this Declaration in connection with the USW's Objections to the Debtors' Motion for Order Under 11 U.S.C. § 1113(c) Authorizing Rejection of Collective Bargaining Agreements and Under 11 U.S.C. § 1114(g) Authorizing Modification of Retiree Welfare Benefits.
3. Exhibit "A" to this Declaration is a letter dated March 31, 2006 from USW Assistant General Counsel David R. Jury to the Debtors' Vice President, Human Resources Management, Kevin Butler. The letter enclosed a chart prepared by USW advisor Potok and Co., Inc.

I declare under penalty of perjury that the foregoing statements are true.

April 21, 2006



LOWELL PETERSON, ESQ.

76184

Exhibit A

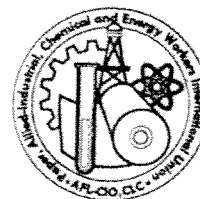
United Steelworkers



Building Power

USW

Merged April 14, 2005



Writer's Direct Dial (412) 562-2545
Writer's Facsimile (412) 562-2429

March 31, 2006

VIA UPS NEXT DAY DELIVER
1Z 263 055 22 1014 076 2

Mr. Kevin M. Butler
Vice President
Human Resource Management
Delphi Corporation
5725 Delphi Drive
Troy, Michigan 48098-2815

Dear Mr. Butler:

I am writing in response to your letter of March 28, 2006.

Our financial advisors have begun to review the information delivered in conjunction with your letter as well as the financial models provided earlier this week on CD, and ask that the Company arrange for a conference call with Company representatives who can answer questions regarding the financial models and the underlying assumptions used in such models. We expect that such a conversation would be more productive and expeditious than the continued exchange of written questions and answers.

Our advisors also have reviewed the information we have been supplied in response to our January 9, 2006 Information Request. The enclosed file reviews the status of those requests and indicates those items to which they believe have not received an adequate response, as well as those items for which additional clarification is required.

In particular, it appears that in many cases either we have been provided with data only related to the Home Ave. facility and no information for the Vandalia T&I facility, or the data for the two facilities has been combined. We have requested information for each of the facilities separately.

United Steel, Paper and Forestry, Rubber, Manufacturing,
Energy, Allied Industrial and Service Workers International Union

Pittsburgh Office: Five Gateway Center, Pittsburgh, PA 15222 • 412.562.2400



Mr. Kevin M. Butler
March 31, 2006

Page 2

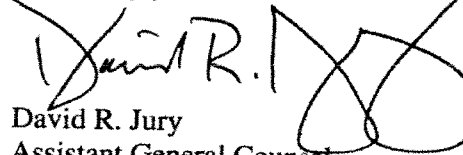
Lastly, we would like to request financial projections for the two facilities. Please provide such projections on the basis of (i) the assumptions used in Delphi's "steady state" financial projections, (ii) the projections based on the proposal of November 15, 2005 and (iii) the proposal provided March 24, 2006.

Please direct all follow-up directly to our financial advisors at Potok and Co., Inc. Contact information is as follows:

Leon Potok or Howard Bochner
Potok and Co., Inc.
1890 Palmer Avenue, Suite 402
Larchmont, NY 10538
914-833-5030
potok@unionadvisors.com
Bochner@unionadvisors.com

Please contact me, or have your counsel contact me regarding this request. Thank you in advance for your cooperation.

Very truly yours,


David R. Jury
Assistant General Counsel

DRJ/dd
Enclosure

cc: David McCall, Director
Ron Wardrup, Staff Representative
Dennis Bingham, USW Local Union 87L
Leon Potok
Lowell Peterson, Esquire

USW Follow-Up Information Request – Delphi Corporation

Original Request

Comments

1) Business Description/General	
(a) Descriptions and breakdowns of key products, customers and contracts awarded to Home Avenue/Vandalia since 2002.	Complete
(b) Identify division and product segment that includes Home Avenue/Vandalia and other Delphi facilities that are included in the same product segment.	Complete
(c) Describe the internal process for bidding and allocating work among facilities – historical and projected.	Complete
(d) Describe relationships and transactions between North American Subsidiaries and Non-North American subsidiaries.	No response
2) Decision to move Home Avenue/Vandalia operations to Automotive Holdings Group	No response
(a) Describe process and timing for decision	No response
(b) Describe analyses utilized in decision-making process	With no response to (a) and (b) above, we are unable to determine which of the many documents received might be responsive to this item Received document "Vandalia Fix-it 12-6-04.xls" describing various target cost saving measures for Vandalia totaling \$19.0 million. Also received letter to Dennis Bingham from Ronald Pirtle dated 3/11/05 indicating "Fix It" projected savings for \$19.7 million. Please explain the difference in projected savings. Letter also indicates that approximately \$16mm of savings had been achieved. Please provide further follow-up to document and verify these savings and any additional targeted savings that have been achieved. Please provide information to
(c) Provide copies on analyses review as part of decision making process	
(d) Turnaround plan and any updated plans for Home Avenue/Vandalia	

Potok and Co., Inc.

USW Follow-Up Information Request – Delphi Corporation

Original Request

Comments

3) August 12 Rothschild discussion materials (a) Current "guiding tenets of future business strategy" (p. 8 of presentation) and discussion and analyses for Home Avenue/Vandalia operations.	allow us to determine if management has met its obligation to reduce allocated costs to 11% - 12% of sales as indicated in letter from Pirtle to Bingham dated 12/17/04. No materials received re: Home Ave.
4) Financial Information for 2002-2005 (a) For Home Avenue/Vandalia and each facility in its product segment (i) Detailed breakdowns of cost of sales by key product (ii) Breakdown/Analysis of fixed and variable costs	No response. No materials received for Vandalia, only Home Ave. Data received for Home Ave., none received for Vandalia or other facilities in product segments. Please explain what items are included in manufacturing costs. Please define "FCA". Data received for Home Ave., none received for Vandalia or other facilities in product segments. Footnote indicates that variable cost includes 14% of manufacturing costs, but formula includes 14% of sales. Please indicate which is correct. Please confirm that the difference between Total Costs and the sum of COGS and SG&A is comprised solely of depreciation and tool expense. Please explain 2005 impairment expenses for Home Ave.
(iii) Describe and quantify all inter-company transactions and cost allocation methodologies where applicable (iv) Breakdown of SG&A expenses incurred at Home Avenue/Vandalia (v) Description and breakdown of expenses allocated to	No response For Home Avenue, SG&A broken down between Plant, Divisional and Corporate SG&A. No description of how Corporate and Divisional SG&A are allocated No description of allocated expenses or explanation of method

Potok and Co., Inc.

USW Follow-Up Information Request – Delphi Corporation

Original Request

Home Avenue/Vandalia

(vi) Breakdown of hourly and salaried employment – hours and employees

(vii) Breakdown of hourly labor costs (specify whether P&L expense or cash expense) by type of expense (e.g. wages, time off, pension expense, etc.)

(viii) Breakdown of salaried labor costs (on same basis as for hourly)

5) Internal management reports for Home Avenue/Vandalia and its product segment

(a) Monthly management reporting package(s) for Home Avenue/Vandalia for December 2002-2004, and November 2005. Please provide December 2005 when it become available.

(b) To the extent not included in management reporting packages prepared by or for Home Avenue/Vandalia, operational metrics used by management (e.g. productivity rates, downtime, etc.) for last three years.

Comments

of allocation

Have received headcounts for hourly employees, but hours worked data as provided in file "USW Pennysheet Detail 2002-2005 2-10-06.ppt" appears to combine data for Home Ave. and Vandalia. Please provide separate data for each USW represented facility. For salaried employees, only 10/31/2005 data received; please provide historical data.

File "USW Pennysheet Detail 2002-2005 2-10-06.ppt" appears to combine data for Home Ave. and Vandalia. Please provide separate data for each facility. Please clarify if costs include costs for employees on layoff and leave.
No response.

Information provided only for Home Avenue

Received for 2002 – 2005 year-end Health and Safety performance graphs, Productivity charts and Operations review charts. Please confirm that this is complete year-end reporting package. We would have expected there to also be a "MD&A" type document discussing the year's results and reasons why actual results varied from projections. Productivity packages for 2004 and 2005 indicate lower productivity for 2002 and 2003 than do packages from earlier years. Please explain this discrepancy.

See comment on response to item 5)(a) above.

Potok and Co., Inc.

USW Follow-Up Information Request – Delphi Corporation

Original Request

- 6) Identify key cost saving measures and capital expenditures that have been implemented at Home Avenue/Vandalia in the last three years, and any projects currently under consideration for the next three years
- (a) For each project, detailed descriptions and analysis of spending and cost savings, including all key assumptions.
- (b) For each project, to the extent available, impact on hourly and salaried employment
- 7) Home Avenue/Vandalia workforce data:
- (a) Organization chart for Home Avenue/Vandalia
- (b) Breakdown of employment of hourly and salaried workforce by department. Total hours worked, average headcount and year-end headcount of hourly workforce for 2002 – 2005.
- (c) Breakdown of hourly compensation and benefit expenses for 2002- 2005.
- (d) Breakdown of hourly compensation and benefit expenses for 2002- 2005.
- 8) Copies of all company presentations and follow-up analyses presented to or shared with official committee of unsecured creditors and/or its financial advisors.

Comments

Capital expenditure data provided for 2003 – 2005 appears to be for Home Avenue only. Please provide data for Vandalia.

See comment on response to item 2)(d) above. No information received regarding Home Ave.

See comment on response to item 2)(d) above. No information received regarding Home Ave.

Complete

Employment data by department received. Total hours worked, average headcount and year-end headcount of hourly workforce for 2002-2005 appears to combine data for Home Ave. and Vandalia. Please provide separate data for each facility.

File "USW Pennysheet Detail 2002-2005 2-10-06.ppt" appears to combine data for Home Ave. and Vandalia. Please provide separate data for each facility.
No response.

Please affirm that the information posted in the electronic data room includes all company presentations and follow-up analyses presented to or shared with the official committee of unsecured creditors or any other stakeholders and/or their respective financial advisors.

USW Follow-Up Information Request – Delphi Corporation

New Requests

Please provide pension and OPEB book expense and cash funding amounts for 2002 – 2005 for each of Home Ave. and Vandalia. Please indicate how much of expense and funding charged to each facility represents current service amounts and how much represents legacy costs.

Please provide financial projections for each of Home Ave. and Vandalia on the basis of:

- (a) the assumptions used in Delphi's "steady state" financial projections,
- (b) the projections based on the proposal of November 15, 2005 and
- (c) the proposal provided March 24, 2006.

Potok and Co., Inc.